

THE INSURANCE CODE OF 1956 (EXCERPT)
Act 218 of 1956

500.1201 Definitions.

Sec. 1201. As used in this chapter:

- (a) "Agent" except as provided in section 1243 means an insurance producer.
- (b) "Business entity" means a corporation, association, partnership, limited liability company, limited liability partnership, or other legal entity.
- (c) "Home state" means the District of Columbia or any state or territory of the United States in which an insurance producer maintains his or her principal place of residence or principal place of business and is licensed to act as an insurance producer.
- (d) "Insurance" means any of the lines of authority in chapter 6.
- (e) "Insurance producer" means a person required to be licensed under the laws of this state to sell, solicit, or negotiate insurance.
- (f) "License" means a document issued by this state's commissioner authorizing a person to act as an insurance producer for the qualifications specified in the document. The license itself does not create any actual, apparent, or inherent authority in the holder to represent or commit an insurer.
- (g) "Limited line credit insurance" includes credit life, credit disability, credit property, credit unemployment, involuntary unemployment, mortgage life, mortgage guaranty, mortgage disability, guaranteed automobile protection insurance, and any other form of insurance offered in connection with an extension of credit that is limited to partially or wholly extinguishing that credit obligation that the commissioner determines should be designated a form of limited line credit insurance.
- (h) "Limited line credit insurance producer" means a person who sells, solicits, or negotiates 1 or more forms of limited line credit insurance coverage to individuals through a master, corporate, group, or individual policy.
- (i) "Limited lines insurance" means any of the following:
 - (i) Marine insurance as defined in section 614.
 - (ii) Credit insurance as described in section 624(1)(e).
 - (iii) Surety and fidelity insurance as defined in section 628.
 - (iv) Legal expense insurance as defined in section 618.
 - (v) Livestock insurance as described in section 624(1)(g).
 - (vi) Malpractice insurance as described in section 624(1)(h).
 - (vii) Plate glass insurance as described in section 624(1)(c).
 - (viii) Any other miscellaneous insurance described in section 624(1)(i).
- (ix) Any other line of insurance that the commissioner considers necessary to recognize for the purposes of complying with section 1206a(5).
- (j) "Limited lines producer" means a person authorized by the commissioner to sell, solicit, or negotiate limited lines insurance.
- (k) "Negotiate" means the act of conferring directly with or offering advice directly to a purchaser or prospective purchaser of a particular contract of insurance concerning any of the substantive benefits, terms, or conditions of the contract, provided that the person engaged in that act either sells insurance or obtains insurance from insurers for purchasers.
- (l) "Sell" means to exchange a contract of insurance by any means, for money or its equivalent, on behalf of an insurance company.
- (m) "Solicit" means attempting to sell insurance or asking or urging a person to apply for a particular kind of insurance from a particular company.
- (n) "Terminate" means the cancellation of the relationship between an insurance producer and the insurer or the termination of a producer's authority to transact insurance.

History: Add. 1972, Act 133, Eff. Mar. 30, 1973;—Am. 1980, Act 340, Imd. Eff. Dec. 23, 1980;—Am. 2001, Act 228, Eff. Mar. 1, 2002.

Popular name: Act 218